

Date Mailed
August 28, 2001

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Application of Badger Telecom, Inc., for Approval of an Alternative Regulation Plan	300-TI-101
Application of Black Earth Telephone Company for Approval of an Alternative Regulation Plan	540-TI-101
Application of Bonduel Telephone Company for Approval of an Alternative Regulation Plan	640-TI-101
Application of Central State Telephone Company for Approval of an Alternative Regulation Plan	1020-TI-101
Application of EastCoast Telecom, Inc., for Approval of an Alternative Regulation Plan	3880-TI-100
Application of Scandinavia Telephone Company for Approval of an Alternative Regulation Plan	5280-TI-101
Application of Stockbridge and Sherwood Telephone Company for Approval of an Alternative Regulation Plan	5710-TI-100
Application of Tenney Telephone Company for Approval of an Alternative Regulation Plan	5850-TI-101
Application of UTELCO, Inc., for Approval of an Alternative Regulation Plan	6030-TI-100
Application of Waunakee Telephone Company for Approval of an Alternative Regulation Plan	6250-TI-101

**NOTICE OF PROCEEDING
AND
INVESTIGATION AND ASSESSMENT OF COSTS**

Requests for Technical Hearing Due: Thursday, September 13, 2001 – Noon	Address Requests for Hearing To: David L. Whitcomb, Administrative Law Judge Public Service Commission P.O. Box 7854 Madison, WI 53707-7854 FAX (608) 266-3957
FAX Due: Wednesday, September 12, 2001 – Noon	

THIS IS A PROCEEDING under Wis. Stat. § 196.195(12) to consider whether it is in the public interest to approve an alternative regulation plan (Plan) for Badger Telecom, Inc., Black Earth Telephone Company, Bonduel Telephone Company, Central State Telephone Company, EastCoast Telecom, Inc., Scandinavia Telephone Company, Stockbridge, and Sherwood Telephone Company, Tenney Telephone Company, UTELCO, Inc., and Waunakee Telephone Company (Applicants), and if so, what provisions should be included in the Plan. Wis. Stat. § 196.195(12)(b)3. directs the Commission to regulate telecommunications utilities with the goal of developing alternative forms of regulation and to approve an incentive regulatory plan for each telecommunications utility in the state. Pursuant to Wis. Stat. § 196.195(12)(b), the Commission shall identify all of the following in making a determination as to whether the Plan is in the public interest:

- (a) The goals to be achieved, which may include promoting competition, infrastructure deployment, economic development, consumer choice, productivity, efficiency, quality of life, societal goals, or universal service.
- (b) The authorized incentive and how the incentive is expected to help achieve the identified goals.
- (c) The measurement to be used to evaluate successful attainment of the identified goals.
- (d) The extent to which Petitioner has contributed to the Wisconsin Advanced Telecommunications Foundation, established under Wis. Stat. § 14.28.¹

On May 25, 2001, Applicants filed proposed alternative regulation plans under Wis. Stat. § 196.195(12). These Plans are nearly identical to alternative regulation plans recently approved for Grantland Telecom, Inc., and Riverside Telecom, Inc.² The Plans as proposed by Applicants would provide the Applicants with pricing and other regulatory flexibility as a result of the Applicants waiving certain rights under state law related to competition and filing a plan for deployment of advanced services. The pricing flexibility under the Plans includes rate rebalancing. Rate rebalancing generally involves increases to rates for local residential service and decreases to rates for intrastate access services. Under the Plans, on the third anniversary date, Applicants propose to consent pursuant to Wis. Stat. § 196.50(1)(b)2, to allow other eligible telecommunications providers to be certified to provide basic local service in its service territory. The Plan also includes other commitments to implement procedures to promote competition in the applicant's service territory, and educational commitments. In addition, Applicants shall meet certain minimum service quality standards under the Plans while continuing to comply with Commission service quality rules. The Plans remove limitations on earnings and waive certain statutory sections. Copies of the applicants' filings may be obtained

¹ The budget bill pending before the Governor would remove this reference to the now-defunct Wisconsin Advanced Telecommunications Foundation.

² Final Decisions in dockets 4580-TI-103 and 5140-TI-100, issued April 26, 2001.

Dockets 300-TI-101, et. al.

by written request to Jean Pauk, TDS Telecom, P.O. Box 5158, Madison, Wisconsin 53705-0158 or by e-mail addressed to jean.pauk@tdstelecom.com.

NOTICE IS GIVEN that the Commission considers it necessary, in order to carry out its duties, to investigate all books, accounts, practices, and activities of the Applicants. The expenses incurred or to be incurred by the Commission which are reasonably attributable to such an investigation will be assessed against and collected from the applicant in accordance with the provisions of Wis. Stat. § 196.85 and Wis. Admin. Code ch. PSC 5.

The Commission intends to investigate this matter and hold several hearings in or near Applicants' service areas. These hearings would be for the purpose of gathering input from the general public. The Commission does not intend to hold a technical hearing in Madison, unless one is requested. Any person that desires to file a request for a technical hearing should submit an original and 15 copies as indicated in the box on Page 1. Requests for hearing must state the reason for such request, and be received by noon on Thursday, September 13, 2001. Requests for hearing by fax are due one day earlier. Fax filing cover sheets must state "Official Filing" and include the docket numbers and the number of pages (limit of 20 pages). File by one mode only.

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the docket coordinator listed below.

Questions regarding this matter may be directed to docket coordinator, Christopher Larson at (608) 267-9508.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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